

**SHB 1714 - H AMD 380**

By Representative Cody

NOT CONSIDERED 4/26/2009

1 Strike everything after the enacting clause and insert the  
2 following:

3  
4 "NEW SECTION. Sec.1. A new section is added to chapter 48.43  
5 RCW to read as follows:

6 (1) The commissioner shall prepare and submit a report to the  
7 legislature related to the performance of the small group health  
8 plan market and the association health plan market. To the extent  
9 that data needed to complete the report is not readily available,  
10 the commissioner may require carriers to submit the following  
11 aggregated data related to small group and association health plans  
12 for each calendar year 2000 through 2008, by March 1, 2010:

13 (a) The number of persons residing in Washington state who  
14 receive health benefit coverage through the small group health plans  
15 and association health plans underwritten or administered by the  
16 carrier, including the number of persons enrolled in the plans on  
17 the first day and last day of each year, the number of persons  
18 enrolled in the plans during each year, and the number of persons  
19 who terminated enrollment in the plans during each year ;

20 (b) The calendar year-end enrollment of the small group health  
21 plan and association health plan blocks of business underwritten or  
22 administered by the carrier, by age group using five-year increments  
23 beginning with age twenty and ending with age sixty-five, and the  
24 average age of persons covered in each block of business for each  
25 year;

26 (c) The calendar year-end enrollment of the small group health  
27 plan and association health plan blocks of business by employer size

1 for each year, reporting by groups of two to five, six to ten,  
2 eleven to twenty-five, twenty-six to fifty, fifty-one to one  
3 hundred, and more than one hundred;

4 (c) For the association health plan block of business  
5 underwritten or administered by the carrier, the percentage of  
6 health plan enrollees for each year for whom each of the following  
7 elements is used in setting health plan rates:

8 (i) Claims experience;

9 (ii) Employer group size; or

10 (iii) Health status factors;

11 (d) The annual calendar year earned premium and incurred  
12 claims, for each year reported, for the small group health plan  
13 block of business and the association health plan block of business  
14 underwritten or administered by the carrier;

15 (e) For the association health plan block of business  
16 underwritten or administered by the carrier, the number of  
17 association health plans that limit eligibility for health plan  
18 coverage to employer groups of a minimum size, or that limit  
19 eligibility for health plan coverage to a subset of the industries  
20 that the association sponsoring the health plan was established to  
21 serve, for each year reported.

22 (2) In fulfilling the requirements of subsection 1 of this  
23 section:

24 (a) Carriers are not required to provide individually  
25 identifiable information that identifies specific small group plans  
26 or association health plans, or allows for the identification of  
27 specific association health plans; and

28 (b) Carriers who underwrite or administer an association  
29 health plan that makes up at least sixty percent of its association  
30 health plan covered lives in the state of Washington on the  
31 effective date of this act may, at their own expense, contract with  
32 a third party to aggregate and report the information required under  
33 this section with that of other carriers who qualify for this  
34 option.

1 (3) The commissioner shall adopt rules necessary to implement  
2 the data submission administrative process under this section,  
3 including the format, timing of data reporting, data standards,  
4 instructions, definitions and data sources.

5 (4) For the purposes of this section, the terms "association  
6 health plan" and "association plan" shall include all member-  
7 governed group health plans and multiple employer welfare  
8 arrangements.

9 (5) Data, information, and documents provided by a carrier  
10 pursuant to this section are exempt from public inspection and  
11 copying under RCW 48.02.120 and chapters 42.17 and 42.56 RCW.

12 (6) The report shall be submitted to the legislature no later  
13 than July 1, 2010.

14

15 **Sec. 2.** RCW 42.56.400 is hereby amended to read as follows:  
16 The following information relating to insurance and financial  
17 institutions is exempt from disclosure under this chapter:

18 (1) Records maintained by the board of industrial insurance  
19 appeals that are related to appeals of crime victims' compensation  
20 claims filed with the board under RCW 7.68.110;

21 (2) Information obtained and exempted or withheld from public  
22 inspection by the health care authority under RCW 41.05.026, whether  
23 retained by the authority, transferred to another state purchased  
24 health care program by the authority, or transferred by the  
25 authority to a technical review committee created to facilitate the  
26 development, acquisition, or implementation of state purchased  
27 health care under chapter 41.05 RCW;

28 (3) The names and individual identification data of all viators  
29 regulated by the insurance commissioner under chapter 48.102 RCW;

30 (4) Information provided under RCW 48.30A.045 through  
31 48.30A.060;

32 (5) Information provided under RCW 48.05.510 through 48.05.535,  
33 48.43.200 through 48.43.225, 48.44.530 through 48.44.555 , and  
34 48.46.600 through 48.46.625;

1 (6) Examination reports and information obtained by the  
2 department of financial institutions from banks under RCW 30.04.075,  
3 from savings banks under RCW 32.04.220, from savings and loan  
4 associations under RCW 33.04.110, from credit unions under RCW  
5 31.12.565, from check cashers and sellers under RCW 31.45.030(3),  
6 and from securities brokers and investment advisers under RCW  
7 21.20.100, all of which is confidential and privileged information;

8 (7) Information provided to the insurance commissioner under  
9 RCW 48.110.040(3);

10 (8) Documents, materials, or information obtained by the  
11 insurance commissioner under RCW 48.02.065, all of which are  
12 confidential and privileged;

13 (9) Confidential proprietary and trade secret information  
14 provided to the commissioner under RCW 48.31C.020 through 48.31C.050  
15 and 48.31C.070;

16 (10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050,  
17 and 7.70.140 that, alone or in combination with any other data, may  
18 reveal the identity of a claimant, health care provider, health care  
19 facility, insuring entity, or self-insurer involved in a particular  
20 claim or a collection of claims. For the purposes of this  
21 subsection:

22 (a) "Claimant" has the same meaning as in RCW 48.140.010(2).

23 (b) "Health care facility" has the same meaning as in RCW  
24 48.140.010(6).

25 (c) "Health care provider" has the same meaning as in RCW  
26 48.140.010(7).

27 (d) "Insuring entity" has the same meaning as in RCW  
28 48.140.010(8).

29 (e) "Self-insurer" has the same meaning as in RCW  
30 48.140.010(11); and

31 (11) Documents, materials, or information obtained by the  
32 insurance commissioner under RCW 48.135.060;

33 (12) Documents, materials, or information obtained by the  
34 insurance commissioner under RCW 48.37.060;

1 (13) Confidential and privileged documents obtained or produced  
2 by the insurance commissioner and identified in RCW 48.37.080; ~~and~~  
3 (14) Documents, materials, or information obtained by the  
4 insurance commissioner under RCW 48.37.140; and  
5 (15) Data, information, and documents provided by a carrier  
6 pursuant to section 1 of this act."

7

8 Correct the title.

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**EFFECT:** The report will include the annual calendar year earned premium and incurred claims for both the small group and association health plan blocks of business administered by the carrier. Carriers are provided flexibility in providing or contracting for the provision of the information required in the report. Multiple employer welfare arrangements are included in the reporting requirements. Information submitted to the Insurance Commissioner by carriers is exempt from public disclosure. The definitions of "incurred claims" and "loss ratio" are deleted as these terms are already defined in statute. There will be a one-time report submitted to the Insurance Commissioner by July 1, 2010, rather than ongoing annual reports.

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